SKYCITY
ENTERTAINMENT GROUP

SKYCITY Entertainment Group Limited
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27 May 2004

Company Announcements Office
Australian Stock Exchange
Exchange Centre
Level 6
20 Bridge Street
Sydney NSW 2000
AUSTRALIA

Dear Sir/Madam

RE:
- **OIC approval obtained for SKYCITY Leisure takeover offer**
- **Terms and conditions of the offer remain unchanged**
- **Offer closes on 8 June**

SKYCITY Entertainment Group Limited (SKYCITY) advises that it has obtained OIC approval for its takeover offer of all of the shares and MCNs in SKYCITY Leisure (Leisure). Obtaining the required OIC consent was specified as one of the conditions of the offer.

SKYCITY now informs shareholders and MCN holders that the terms and conditions of the offer will not be varied.

In particular, the offer period will not be extended and will close at 5.00pm on 8 June 2004 in accordance with the timetable specified in SKYCITY's offer.

SKYCITY also confirms that the offer price of $0.82 per share, and $1.60 per MCN, will not be changed and is final.

The independent adviser considers that this offer is fair, with the offer price for the shares falling at the upper end of the valuation range. The independent directors have recommended that all shareholders and MCN holders accept the offer. MCN holders should convert their MCNs into shares and accept the offer for the shares to receive the higher price of $1.64 per MCN.

The remaining condition of the offer is that SKYCITY obtains 90% of the voting rights of Leisure, thereby allowing compulsory acquisition of the outstanding securities. Based on the acceptances received to date, and the shares that SKYCITY will be entitled to upon conversion of its own MCNs, SKYCITY currently expects to achieve this condition. Shareholders are therefore encouraged to accept the current takeover offer now to avoid the delay and potential loss of value that may result from waiting until the compulsory acquisition process is completed.

Yours faithfully

Andrew Webster
General Manager Legal